NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

PAID UP OIL AND GAS LEASE

(No Surface Use)

THIS LEASE AGREEMENT is made this/	day of // UNUST	, 2009, by and between	
Leticia Furfan, a single perso			
whose addresss is 2300 Christine Avenu	e Fort Worth, Text	N. as Lessee. All printed portions of this lease were prepared	as Lessor,
hereinabove named as Lessee, but all other provisions (includi-	ng the completion of blank spaces) v	vere prepared jointly by Lessor and Lessee. essor hereby grants, leases and lets exclusively to Lessee t	
ACRES OF LAND, MORE OR LESS	BEING LOT/S)	AB BLOCK 4	
OUT OF THE Avalon Heights		ADDITION, AN ADDITION TO THE	CORDED
IN VOLUME 300 PAGE	OF THE F	PLAT RECORDS OF TARRANT COUNTY, TEXA	S.
substances produced in association therewith (including ge commercial gases, as well as hydrocarbon gases. In addition land now or hereafter owned by Lessor which are contiguous	oring for, developing, producing and ophysical/seismic operations). The n to the above-described leased pre or adjacent to the above-described r supplemental instruments for a more	less (including any interests therein which Lessor may hereafter it marketing oil and gas, along with all hydrocarbon and non he term "gas" as used herein includes helium, carbon dioxide mises, this lease also covers accretions and any small strips cleased premises, and, in consideration of the aforementioned recomplete or accurate description of the land so covered. For cified shall be deemed correct, whether actually more or less.	hydrocarbon e and other or parcels of cash bonus,
otherwise maintained in effect pursuant to the provisions hered	ereby are produced in paying quantit f.	ies from the leased premises or from lands pooled therewith or	this lease is
3. Royalties on oil, gas and other substances produced separated at Lessee's separator facilities, the royalty shall be Lessor at the wellhead or to Lessor's credit at the oil purchase the wellhead market price then prevailing in the same field (content of prevailing price) for production of similar grade and gravity of the prevailing price) for production of similar grade and gravity of the prevailing in the same field, then in the nearest field in whe nearest preceding date as the date on which Lessee commence the leased premises or lands pooled therewith are capable of hydraulic fracture stimulation, but such well or wells are either be producing in paying quantities for the purpose of maintainin being sold by Lessee, then Lessee shall pay shut-in royalty of depository designated below, on or before the end of said 90-are shut-in or production there from is not being sold by Lessee from another well or wells on the leased premises or la of such operations or production. Lessee's failure to properly grade and such payments or tenders to Lessor or to the deposited and such payments or tenders to Lessor or to the deposited draft and such payments or tenders to Lessor or to the deposited draft and such payments or tenders to Lessor or to the deposited draft and such payments or tenders to Lessor or to the deposited draft and such payments or tenders to Lessor or to the deposited draft and such payments or tenders to Lessor or to the deposited draft and such payments or tenders to Lessor or to the deposited draft and such payments or tenders to Lessor or to the deposited draft and such payments or tenders to Lessor or to the deposited draft and such payments or tenders to Lessee's request, deliver by the payment hereunder, Lessor shall, at Lessee's request, deliver by the payment for the provisions of Paragraph 6 or the action of nevertheless remain in force if Lessee commences operations on the leased premises or lands pooled therewith within 90 dathe end of the primary term, or at any time thereafter, this le o	and saved hereunder shall be paid a stransportation facilities, provided or if there is no such price then pretry (b) for gas (including casing he occeds realized by Lessee from the see in delivering, processing or oth revailing wellhead market price paid which there is such a prevailing price its purchases hereunder; and (c) either producing oil or gas or other shouth in or production there from is no githis lease. If for a period of 90 corone dollar per acre then covered by day period and thereafter on or befosee; provided that if this lease is of any period and thereafter on or befosee; provided that if this lease is of any period and therewith, no shut-in royalty shall render Lessor or to Lessee a proper recordable instructed dills a well which is incapable of the or not in paying quantities) per any governmental authority, then in for reworking an existing well or for safer completion of operations on asse is not otherwise being maintain in therefrom, this lease shall remain in the producting in paying quantities able of producing in paying quantities able of producing in paying quantities.	by Lessee, to Lessor as follows: (a) For oil and other liquid hy (e's option to production at airy shall be a production, the same or so such price the same or hore wells on re waiting on e deemed to be from is not credit in the well or wells eing sold by ng cessation his lease. It which shall the check or by or at the last is to accept payments. In the leased to boundaries force it shall g production. If at or any other secuted with thereafter as is hereunder, roumstances or protect the
6. Lessee shall have the right but not the obligation to depths or zones, and as to any or all substances covered by proper to do so in order to prudently develop or operate the lesu thit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 640 acres plus a maxim completion to conform to any well spacing or density pattern the foregoing, the terms "oil well" and "gas well" shall have prescribed, "oil well" means a well with an initial gas-oil ratio of feet or more per barrel, based on 24-hour production test of equipment; and the term "horizontal completion" means an equipment; and the term "horizontal completion" means an oil component thereof. In exercising its pooling rights hereunded Production, drilling or reworking operations anywhere on a wareworking operations on the leased premises, except that the net acreage covered by this lease and included in the unit but Lessee. Pooling in one or more instances shall not exhaust Lunit formed hereunder by expansion or contraction or both, exprescribed or permitted by the governmental authority having making such a revision, Lessee shall file of record a written deleased premises is included in or excluded from the unit by vir be adjusted accordingly. In the absence of production in paying a written declaration describing the unit and stating the date of 7. If Lessor owns less than the full mineral estate in all of the production in all of the production is all to the production in a paying a written declaration describing the unit and stating the date of 7. If Lessor owns less than the full mineral estate in all of the production in all of the production is all the production.	this lease, either before or after the ased premises, whether or not similar ontal completion shall not exceed 8t um acreage tolerance of 10%; provinat may be prescribed or permitted but the meanings prescribed by applications than 100,000 cubic feet per baconducted under normal producing oil well in which the horizontal compour well in which the horizontal compour. Lessee shall file of record a writtenit which includes all or any part of production on which Lessor's royalty hars to the total gross acreage in the essee's pooling rights hereunder, are ither before or after commencement jurisdiction, or to conform to any preclaration describing the revised unificate of such revision, the proportion of grountities from a unit, or upon part of the leased premises, the	emises or interest therein with any other lands or interests, as a commencement of production, whenever Lessee deems it not pooling authority exists with respect to such other lands or into a cress plus a maximum acreage tolerance of 10%, and for a good ded that a larger unit may be formed for an oil well or gas well of any governmental authority having jurisdiction to do so. For table law or the appropriate governmental authority, or, if no defined and "gas well" means a well with an initial gas-oil ratio of 10 conditions using standard lease separator facilities or equival ponent of the gross completion interval in facilities or equival ponent of the gross completion interval in the reservoir exceeds an declaration describing the unit and stating the effective date of the leased premises shall be treated as if it were production is calculated shall be that proportion of the total unit production and Lessee shall have the recurring right but not the obligation to the of production, in order to conform to the well spacing or der douctive acreage determination made by such governmental as and stating the effective date of revision. To the extent any position to the constitute a cross-conveyance of interests. In ot constitute a cross-conveyance of interests. In ot constitute a cross-conveyance of interests.	necessary or terests. The gas well or a cor horizontal the purpose sfinition is so 00,000 cubic alent testing alent testing at the vertical e of pooling. In, drilling or on which the month of the authority. In ortion of the all thereafter ling of record.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalities hereunder, Lessee may pay or tender such shut-in royalities to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its Interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to the transferred interest, and failure of the transferse to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net accesser.

in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's

obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable

after said judicial determination to remedy the breach or default and Lessee fails to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shuf-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

Notwithstanding anything contained to the contrary in this lease. Lessee shall not have any rights to use the surface of the leased premises for drilling or other

e may be executed in counterparts, each of which is deemed an original and all of which only constitute one original 17. This lea DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lesson has or may partitive with any other lessors/oil and one owners. which Lessee has or may negotiate with any other lessors/oil and gas owners

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

By: Leticia tartan	_	By:
†	ACKNOWLED	OGMENT
STATE OF LYAS		
COUNTY OF Through		A. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.
This instrument was acknowledged before me on the person	day of	August / 2009,
JULIO MUNOZ LOPEZ Notary Public, State of Texas My Commission Expires January 29, 2012		Notary Public, State of Notary's name (printed) Notary's commission expires:
STATE OF		
COUNTY OF		, 2009,
This instrument was acknowledged before me on theby:	day of	, 2009,
		Alex Date of
		Notary Public, State of Notary's name (printed):
		Notary's commission expires;



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration:

08/17/2009 03:27 PM

Instrument #:

D209219944

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3 PGS

\$20.00

3v:

D209219944

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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